

Exhibit

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**IN THE COURT OF COMMON PLEAS
HAMILTON COUNTY, OHIO**

MILACRON, INC.)	CASE NO: A0404162
)	
Plaintiff	)	JUDGE MARTIN
)	
vs.)	
	)	<u>ANSWER OF THIRD PARTY</u>
THE FAIRCHILD CORPORATION, et	)	<u>DEFENDANTS AMERICAN</u>
al.,	)	<u>INTERNATIONAL GROUP, INC.,</u>
	)	<u>NATIONAL UNION FIRE</u>
Defendants/Third-Party Plaintiffs,	)	<u>INSURANCE COMPANY OF</u>
	)	<u>PITTSBURGH, PA, AND THE</u>
vs.	)	<u>INSURANCE COMPANY OF THE</u>
	)	<u>STATE OF PENNSYLVANIA TO</u>
AMERICAN INTERNATIONAL	)	<u>DEFENDANTS/THIRD PARTY</u>
GROUP, INC., et al.	)	<u>PLAINTIFFS' THIRD PARTY</u>
	)	<u>COMPLAINT</u>
Third Party Defendants.)	

Third Party Defendants American International Group, Inc., National Union Fire Insurance Company of Pittsburgh, PA, and The Insurance Company of the State of Pennsylvania (collectively "AIG") state for their Answer to the Third Party Complaint:

FIRST DEFENSE

1. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 1 of the Third Party Complaint.
2. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 2 of the Third Party Complaint.
3. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 3 of the Third Party Complaint.

4. AIG admits that American International Group, Inc. is a company incorporated in the State of Delaware, with its principal place of business in New York, New York. Further answering, AIG denies the remaining allegations set forth in paragraph 4 of the Third Party Complaint.

5. AIG admits that National Union Fire Insurance Company of Pittsburgh, PA is an insurance company incorporated in the Commonwealth of Pennsylvania, with its principal place of business in New York, New York, and does business in the State of Ohio. Further answering, AIG is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations set forth in paragraph 5 of the Third Party Complaint.

6. AIG admits that The Insurance Company of the State of Pennsylvania is an insurance company incorporated in the Commonwealth of Pennsylvania, with its principal place of business in New York, New York, and does business in the State of Ohio. Further answering, AIG is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations set forth in paragraph 6 of the Third Party Complaint.

7. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 7 of the Third Party Complaint.

8. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 8 of the Third Party Complaint.

9. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 9 of the Third Party Complaint.

10. AIG denies the allegations set forth in paragraph 10 of the Third Party Complaint.

11. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 11 of the Third Party Complaint.

12. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 12 of the Third Party Complaint.

13. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 13 of the Third Party Complaint.

14. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 14 of the Third Party Complaint.

15. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 15 of the Third Party Complaint.

16. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 16 of the Third Party Complaint.

17. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 17 of the Third Party Complaint.

18. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 18 of the Third Party Complaint.

19. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 19 of the Third Party Complaint.

20. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 20 of the Third Party Complaint.

21. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 21 of the Third Party Complaint.

22. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 22 of the Third Party Complaint.

23. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 23 of the Third Party Complaint.

24. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 24 of the Third Party Complaint.

25. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 25 of the Third Party Complaint.

26. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 26 of the Third Party Complaint.

27. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 27 of the Third Party Complaint.

28. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 28 of the Third Party Complaint.

29. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 29 of the Third Party Complaint.

30. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 30 of the Third Party Complaint.

31. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 31 of the Third Party Complaint.

32. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 32 of the Third Party Complaint.

33. AIG admits on May 24, 2004, Plaintiff Milacron, Inc. instituted the instant action against Fairchild and RHI.

34. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 34 of the Third Party Complaint.

35. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 35 of the Third Party Complaint.

36. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 836 of the Third Party Complaint.

37. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 37 of the Third Party Complaint.

38. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 38 of the Third Party Complaint.

39. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 39 of the Third Party Complaint.

40. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 40 of the Third Party Complaint.

41. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 41 of the Third Party Complaint.

42. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 42 of the Third Party Complaint.

43. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 43 of the Third Party Complaint.

44. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 44 of the Third Party Complaint.

45. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 45 of the Third Party Complaint.

46. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 46 of the Third Party Complaint.

47. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 47 of the Third Party Complaint.

48. AIG denies the allegations set forth in paragraph 48 of the Third Party Complaint.

49. AIG denies the allegations set forth in paragraph 49 of the Third Party Complaint.

50. AIG denies the allegations set forth in paragraph 50 of the Third Party Complaint.

51. AIG denies the allegations set forth in paragraph 51 of the Third Party Complaint.

Further answering, AIG requests the Court deny Third Party Defendants' requests for declaratory relief set forth therein.

52. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 52 of the Third Party Complaint. Further answering, AIG requests the Court deny Third Party Defendants' requests for declaratory relief set forth therein.

53. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 53 of the Third Party Complaint.

54. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 54 of the Third Party Complaint.

55. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 55 of the Third Party Complaint.

56. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 56 of the Third Party Complaint.

57. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 57 of the Third Party Complaint.

58. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 58 of the Third Party Complaint.

59. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 59 of the Third Party Complaint.

60. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 60 of the Third Party Complaint.

61. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 61 of the Third Party Complaint.

62. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 62 of the Third Party Complaint.

63. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 63 of the Third Party Complaint.

64. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 64 of the Third Party Complaint.

65. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 65 of the Third Party Complaint.

66. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 66 of the Third Party Complaint.

67. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 67 of the Third Party Complaint.

68. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 68 of the Third Party Complaint.

69. AIG is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in paragraph 69 of the Third Party Complaint.

70. AIG denies each and every allegation set forth in the Third Party Complaint not expressly admitted to be true herein.

SECOND DEFENSE

71. AIG affirmatively alleges, in the alternative, that the Court lacks personal jurisdiction over AIG.

THIRD DEFENSE

72. AIG affirmatively alleges, in the alternative, that this Court lacks subject matter jurisdiction over this matter.

FOURTH DEFENSE

73. AIG affirmatively alleges, in the alternative, that Defendants/Third Party Plaintiffs have failed to obtain proper service on AIG.

FIFTH DEFENSE

74. AIG affirmatively alleges, in the alternative, that Defendants/Third Party Plaintiffs lack standing to proceed on the Third Party Complaint and/or are not the real parties in interest.

SIXTH DEFENSE

75. AIG affirmatively alleges, in the alternative, that Defendant American International Group, Inc. is not in privity of contract with Defendants/Third Party Plaintiffs, and is otherwise not a proper party to this action.

SEVENTH DEFENSE

76. AIG affirmatively alleges, in the alternative, that the Third Party Complaint fails to state a claim upon which relief can be granted.

EIGHTH DEFENSE

77. AIG affirmatively alleges, in the alternative, that Defendants/Third Party Plaintiffs have improperly invoked the venue of the Court in seeking to proceed on the Third Party Complaint.

NINTH DEFENSE

78. AIG affirmatively alleges, in the alternative, that the Third Party Complaint is barred by the doctrine of *forum non conveniens*.

TENTH DEFENSE

79. AIG affirmative alleges, in the alternative, that the Third Party Complaint is barred by the doctrine of abstention.

ELEVENTH DEFENSE

80. AIG affirmatively alleges, in the alternative, that Defendants/Third Party Plaintiffs have failed to join all parties necessary for a just adjudication of the captioned matter.

TWELFTH DEFENSE

81. AIG affirmatively alleges, in the alternative, that the Third Party Complaint is barred by the applicable period of limitations.

THIRTEENTH DEFENSE

82. AIG affirmatively alleges, in the alternative, that Defendants/Third Party Plaintiffs have failed to comply with Ohio Civ. R. 10(D).

FOURTEENTH DEFENSE

83. AIG affirmatively alleges, in the alternative, that any claims at issue in this matter do not fall within the Insuring Agreements of the policies.

FIFTEENTH DEFENSE

84. AIG affirmatively alleges, in the alternative, that Defendants/Third Party Plaintiffs are not entitled to coverage under the Policy, as such coverage is precluded or limited by the Declarations, Insuring Agreements, Definitions, Exclusions, Conditions, and Endorsements to the policies.

SIXTEENTH DEFENSE

85. AIG affirmatively alleges, in the alternative, that coverage for any claims at issue in this matter is subject to the Limit of Liability and Deductible of the policies.

SEVENTEENTH DEFENSE

86. AIG affirmative alleges, in the alternative, that any coverage afforded under the policies is excess to any other coverage available to the Defendants/Third Party Plaintiffs.

EIGHTEENTH DEFENSE

87. AIG affirmatively alleges, in the alternative, that coverage under the policies is precluded by the breach of warranties and/or misrepresentations of Defendants/Third Party Plaintiffs.

NINETEENTH DEFENSE

88. AIG affirmatively alleges, in the alternative, that the policies are rendered void *ab initio*, such that AIG is entitled to rescind the Policy, because of the breaches of warranties and/or the misrepresentations of Defendants/Third Party Plaintiffs.

TWENTIETH DEFENSE

89. AIG affirmatively alleges, in the alternative, that Defendants/Third Party Plaintiffs have acted as volunteers as to any payments made with respect to this matter.

TWENTY-FIRST DEFENSE

90. AIG affirmatively alleges, in the alternative, that Defendants/Third Party Plaintiffs have failed to exercise ordinary, reasonable care to mitigate any damages allegedly sustained.

TWENTY-SECOND DEFENSE

91. AIG affirmatively alleges, in the alternative, that any damages sustained by the Defendants/Third Party Plaintiffs are the result of a direct, proximate, intervening and/or superseding act and/or omissions of parties other than AIG.

TWENTY-THIRD DEFENSE

92. AIG affirmative alleges, in the alternative, that the claims set forth in the Third Party Complaint are contrary to public policy and therefore barred.

TWENTY-FOURTH DEFENSE

93. AIG affirmatively alleges, in the alternative, that Defendants/Third Party Plaintiffs are barred from proceeding on the Third Party Complaint by the doctrine of waiver.

TWENTY-FIFTH DEFENSE

94. AIG affirmatively alleges, in the alternative, that Defendants/Third Party Plaintiffs are barred from proceeding on the Third Party Complaint by the doctrine of estoppel.

TWENTY-SIXTH DEFENSE

95. AIG affirmatively alleges, in the alternative, that Defendants/Third Party Plaintiffs are barred from proceeding on the Third Party Complaint by the doctrine of unclean hands.

TWENTY-SEVENTH DEFENSE

96. AIG affirmatively alleges, in the alternative, that Defendants/Third Party Plaintiffs are barred from proceeding on the Third Party Complaint by the doctrine of laches.

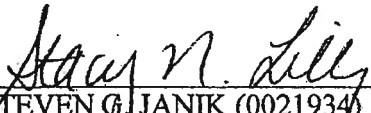
TWENTY-EIGHTH DEFENSE

97. AIG affirmatively alleges, in the alternative, that Defendants/Third Party Plaintiffs' exclusive remedy as to the policies is arbitration.

TWENTY-NINTH DEFENSE

98. AIG respectfully reserve the right to amend its Answer to add such additional affirmative defenses, cross-claims, and/or third-party complaints as may be disclosed during the course of this matter, including the disclosure of all insurance policies.

WHEREFORE, AIG demands that the Third Party Complaint be dismissed with prejudice, and that the Court grant AIG costs, reasonable attorney fees, and such further relief that AIG may be entitled.



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CERTIFICATE OF SERVICE

I hereby certify that on January 7, 2005, a copy of the foregoing *Answer of Third Party Defendants American International Group, Inc., National Union Fire Insurance Company of Pittsburgh, PA, and The Insurance Company of the State of Pennsylvania* was sent via regular U.S. Mail to the following:

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The Fairchild Corporation and RHI Holdings, Inc.

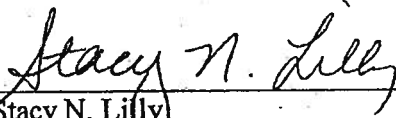
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